eventually held in March, 1938, under a changed electoral law which permitted married women to vote but forbade candidates to run as members of the old political parties. In May, 1938, the *sobranie* met for the first time since 1935, but found itself reduced to the position of a consulting body.

The political crises of the period after 1933 were but outward expressions of the serious economic condition in which Bulgaria, along with all other predominantly agrarian countries of eastern Europe, had found itself as a result of the world-wide economic depression. At the same time both Italy and Germany sought to bring Bulgaria into their political and economic orbits. Bulgaria for several years seemed to waver between them and their rivals in power politics. Although its refusal to join the Balkan Entente, because of its revisionist territorial claims, seemed to align Bulgaria with Italy, a tense situation was avoided by the signature of a Pact of Friendship with Yugoslavia on January 24, 1937. In 1938 when the east European atmosphere had become clouded because of Germany's annexation of Austria and the developing Munich crisis, Bulgaria gained recognition of the right to rearm by means of an agreement in July with Greece who acted on behalf of the Balkan Entente. This was followed by an Anglo-French loan amounting to ten million dollars to assist in Bulgarian rearmament, although Germany had already supplied much material toward this end. Nevertheless, Germany had two advantages over its rivals. One was its freedom to encourage Bulgarian revisionist ambitions which, after the Bulgar-Yugoslav pact, tended to create greatest tension with Romania over the Dobruja. The other was the powerful economic tie developed between the two countries by means of trade agreements. After Austria and part of Czechoslovakia had been incorporated in the Nazi Reich in 1939 about 52 per cent of Bulgaria's exports went to Germany and about 63 per cent of its imports came from there.

It is doubtful, however, if the developing ties with Germany influenced the feelings of the Bulgarian people. Tsar Boris and his governments, even though they sanctioned agreements by which the political police cooperated with the Gestapo in pursuing "Communists," sought to keep down native fascism. There was, moreover, very little antisemitism in Bulgaria. The political opposition composed of the former Agrarian, Liberal, Radical, Socialist, and Democratic party elements, was by its nature antagonistic to Nazism. And, finally, the people had always retained a deepseated feeling of sympathy and respect for Russia against whom the Nazis were ostensibly aligned. Indeed, right down to 1941 there was much ground for believing that Bulgaria might well maintain neutrality in the second World War.

241
439

S: Bojkoff K-4,5 (no date) 1946 EE1 Bulgaria EE1

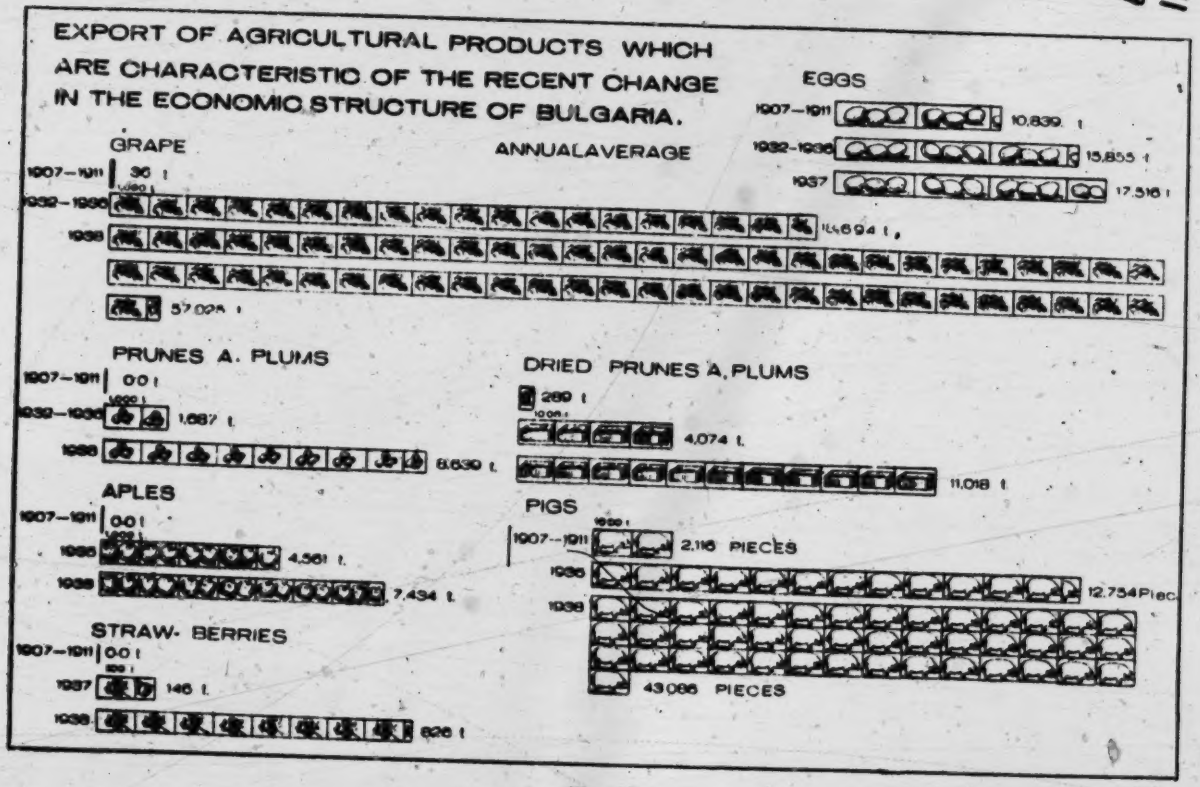

Fig. 17.

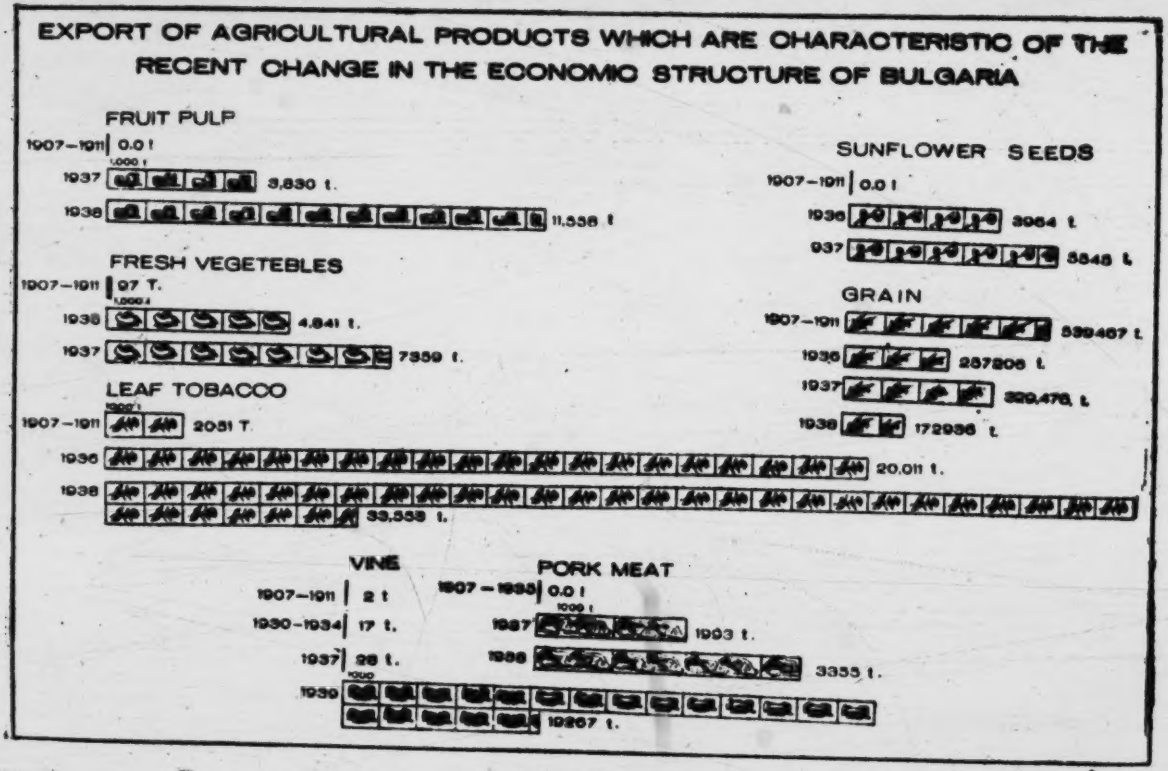

Fig. 18.

241 439

231 The development of cocoon production is remarkable

	in thousands leva
1938	99.391
1939	109.140
1940	135.134

Domestic animals (big)

horses	531.519
mules	36.648
donkeys	180.695
cattle of the bovine genus	1.497.624
black buffaloes	374.977
Total	2.621.463

This represents 2.04 heads per household. The Government endeavors to increase and improve the breed.

Domestic animals (small)

sheep	8.839.492	
goats	913.088	
swine	901.976	
Total	10.654.556	or 8.3 heads per household.

235

Domestic Fowl

hens and rousters	11.813.579	
geese and ganders	303.616	
turkeys	333.860	
ducks	321.685	
Total	12.772.740	or 9.95 per ordinary household.

439 The increasing fowl and eggs export is an indication of the country's improved poultry farming:

Exported live hens:

	Number	*1000 leva*
1936	293.204	10.426
1937	798.694	27,602
1938	883.378	29.836

Exported dressed domestic fowl:

	Metr. tons	*1000 leva*
1930	872	38.265
1932	2.248	84.248
1934	2.934	86.288
1936	4.367	145.129
1937	5.385	168.762

439

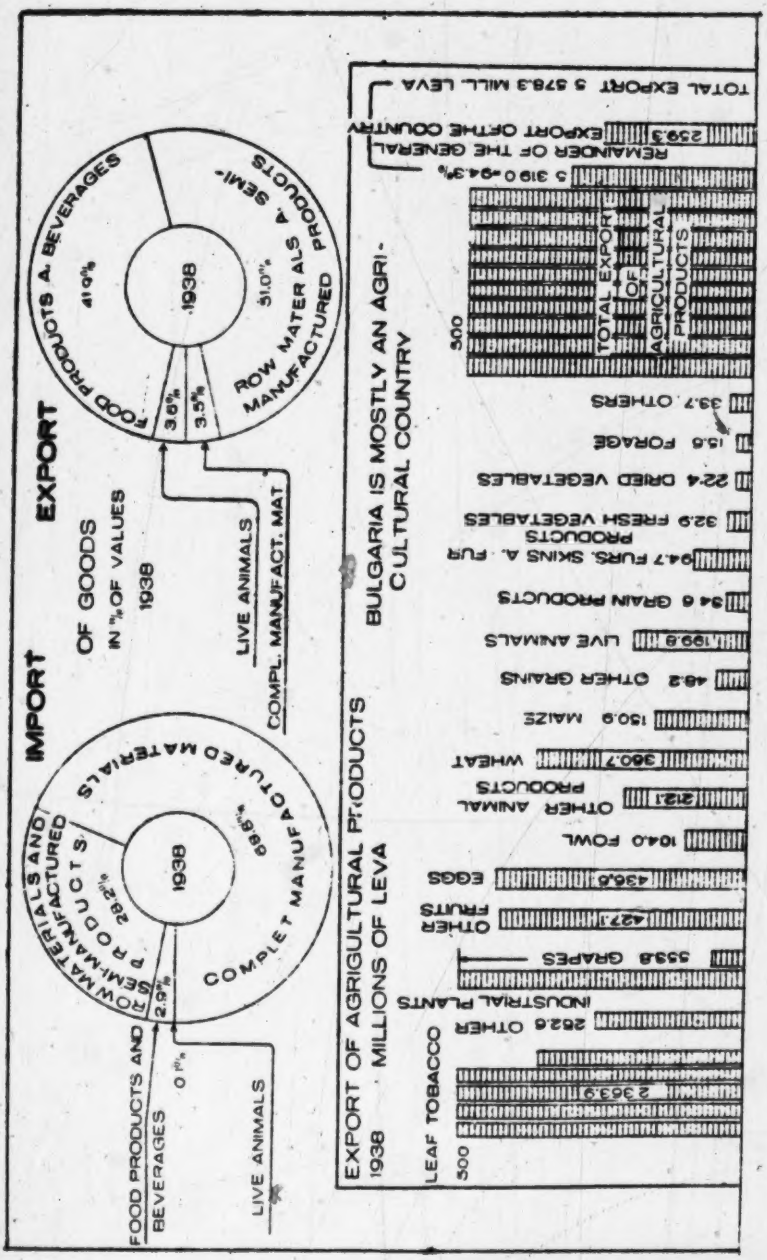
EXPORT
OF GOODS
IN % OF VALUES
1938
IMPORT
1938
FOOD PRODUCTS A. BEVERAGES
41.9%
SEMI-MANUFACTURED PRODUCTS
28.2%
2.9%
COMPLET MANUFACTURED MATERIALS
68.9%
ROW MATERIALS AND SEMI-MANUFACTURED PRODUCTS
31.0%
3.6%
3.5%
LIVE ANIMALS
COMPL. MANUFACT. MAT
FOOD PRODUCTS AND BEVERAGES
0 %
LIVE ANIMALS
EXPORT OF AGRIGULTURAL PRODUCTS
1938 MILLIONS OF LEVA
BULGARIA IS MOSTLY AN AGRI-CULTURAL COUNTRY
LEAF TOBACCO
INDUSTRIAL PLANTS
26.6 OTHER
GRAPES 33.8
OTHER FRUITS 42.7
EGGS 43.6.5
FOWL 10.4.0
OTHER ANIMAL PRODUCTS 21.2.1
WHEAT 36.0.7
MAIZE 13.0.9
OTHER GRAINS 4.8.2
LIVE ANIMALS 19.9.9
GRAIN PRODUCTS 34.6
FURS. SKINS A. FUR PRODUCTS 94.7
FRESH VEGETABLES 32.9
DRIED VEGETABLES 22.4
FORAGE 15.6
OTHERS 33.7
TOTAL EXPORT OF AGRICULTURAL PRODUCTS
3 319.0 = 94.3%
REMAINDER OF THE GENERAL EXPORT OF THE COUNTRY 239.3
TOTAL EXPORT 3 578.3 MILL. LEVA
500
500

Fig. 18.

439 Exported Eggs:

	Metr. tons	*1000 leva*
1934	14.534	341.388
1935	17.490	465.559
1936	17.516	430.106
1937	15.180	436.623
1940	19.593	807.957

[232] The country has a veterinary staff of 660 doctors and 175 assistants, 90% of which are government employees.

46. Export of Agricultural Products in 1938.

	1000 leva
grain	525.146
of which 69% wheat and 29% corn;	
grain products	34.587
92% of which are bran;	
industrial plants	2.626.510
of which 90% leaf to acco, 4.1% oleaginous seeds and 2.4% rose oil;	
forage	15.601
white beans, broad beans, lentils, peas and potatoes	22.435
of which 83% beans;	
vegetables	32.942
of which 83% fresh vegetables;	
fruit	980.867
of which 56.4% grapes, 27.3% canned fruit;	
beverages (131.105.000 leva for 1939!)	950
live stock	199.554
animal products	752.700
of which 58% eggs, 13.8% dressed fowl;	
hides and skins	94.739
miscellaneous	32.884
Total	5.318.915, which

makes 95.4% of the total (5.578.341.000 leva) export of the country (Fig 19).

47. Foreign Trade Development. The rapid increase of the country's foreign trade or rather in the value of the export per capita, is as follows (Fig. 20):

Year	*Millions of inhabitants*	*Foreign trade in mill. gold leva*	*Per capita gold leva*	*Index*
1880	2.82	42.24	14.9	100
1890	3.23	155.60	48.2	323
1912	4.43	369.52	83.4	560
1939	6.25	595.25	95.3	640

8: Bojkoff K-4,5 (no date) 1946 EE1 Bulgaria EE1

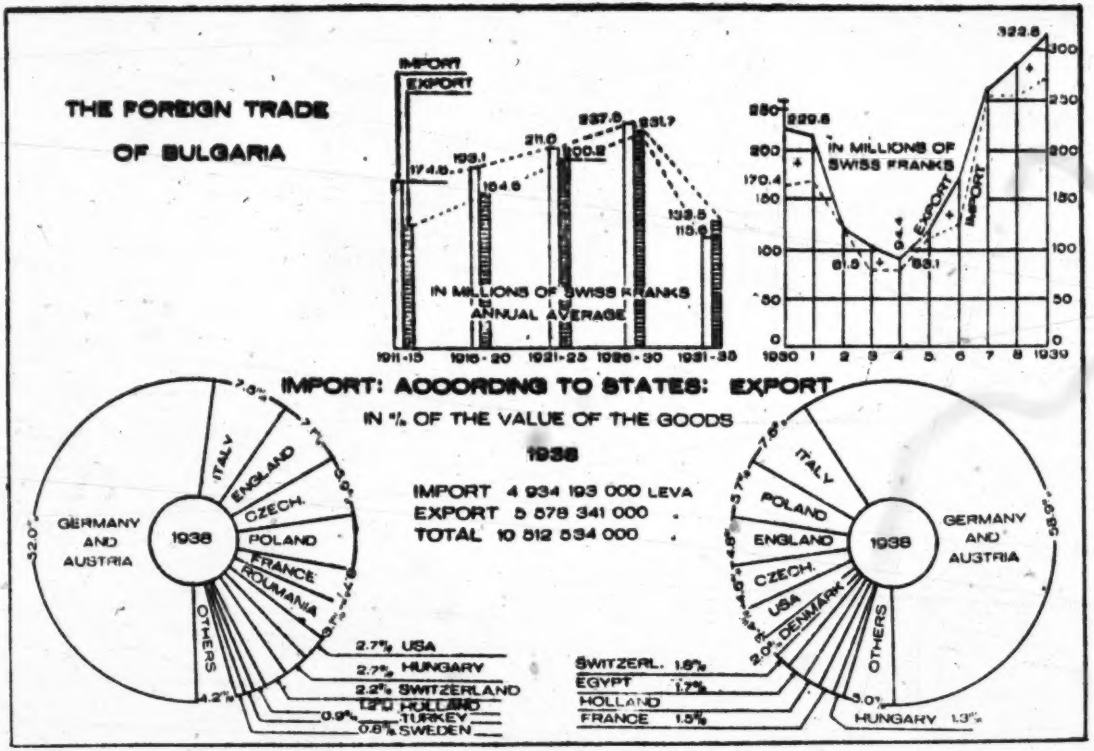

Fig. 20.

439

of the weather. Local requirements amount to about 60 million tons.

The tendency of the government which assumed power on May 19 1934 was to put a stop to the existing abuses and restrict the privileges granted by the State to such industries as could utilise and transform local raw materials. Their efforts will be facilitated if outlets for Bulgarian produce are secured, and compensation for this facility will no doubt be given in the form of a lowering of the present high tariff. If foreign countries, however, persist in their determination to maintain a policy of autarchy, there will be nothing left for Bulgaria but to follow suit and persist in a policy that is mutually undermining the economic fabric of all the nations.

Mr. J. A. Hobson's remarks on protection, cited above, are well worth pondering over, for its apparent triumph coincides with the decline of democracy and the growing inability of the will of the masses to find expression.

TRADE

Both the commodity composition and the geographical distribution of Bulgarian exports has undergone a considerable transformation since the war. Thus cereals, which until then had figured first as to value on the list of exports, representing as much as 66.6% of the total during the quinquennial period 1908-12, fell to 18.9% for the corresponding period of 1926-30, and to only 10% during 1934, The proportion of tobacco exports on the other hand, has increased from 1.28% to 38.47% and 40%, for the corresponding dates. The Near Eastern and west European markets which in 1911 absorbed respectively 25.09% and 49.53% of Bulgarian exports, in 1931 took only 4.97% and 35.37%. On the other hand exports

439 to Central Europe have increased from 20.40% to 73.14%, during the same years. Imports were subject to lesser variations except for a slight decrease of those of Near Eastern and western European origin. to the benefit of Central European, the percentage of the latter increasing from 49.68% to 61.94% between 1911 and 1931.

There has been a noteworthy decrease in the value of Bulgarian trade since 1929, exports falling from a total of 6,397 million leva, to 2,535 millions in 1934, though in weight there was an increase from 313,000 to 396,000 tons, by which may be gauged the effect of the reduction of prices of agriculturai produce on the country's economy.

The table on page 145 gives details as to imports and exports from and to the principal countries trading with Bulgaria during recent years. The figures are in million leva.

It is well worth noting that the chief creditor countries of Bulgaria, France, Great Britain and the United States, show a permanent debit in their trading balance with Bulgaria and that it is indispensable that these countries should do something to assist the access of Bulgarian goods to their markets as otherwise they run the risk of seeing not only their exports to Bulgaria further reduced, but the payment of the interest on the debts owing to their nationals being further curtailed, or totally suspended. Bulgaria has no other resources wherewith to pay her obligations than her exports, and with the system of barter and clearings which is being increasingly applied, there is a growing difficulty ot utilising the surplus trade balance of one country for paying the debit balance due to another. It may be taken for granted therefore, that the surplus balances Bulgaria may have with Germany are only partially available.

The chief products exported from Bulgaria in 1934 were:

	6 months ending June 1935					1934					1933				
	Imports	% of total	Exports	% of total	Balance	Imports	% of total	Exports	% of total	Balance	Imports	% of total	Exports	% of total	Balance
Austria	69	5,0	86	6,3	+17	107	4,8	135	5,3	+ 28	137	6,2	277	9·7	+140
Belgium	26	1,9	12	0,9	−14	167	7,5	89	3,5	− 78	62	2,8	238	8,4	+176
Czechoslovakia	110	8,0	92	6,7	−18	85	3,8	91	3,6	+ 6	106	4,8	99	3.5	− 7
Danemark	1	0,1	16	1,1	+15	1	0,0	59	2,3	+ 58	1	0,1	42	1,5	+ 41
Egypt	8	0,6	51	4,3	+43	13	0.6	98	3 9	+ 85	7	0,4	65	2,3	+ 58
France	25	1,9	30	2,2	+ 5	86	3,8	53	2,1	− 33	96	4,4	93	3,3	− 3
Germany	662	48,4	698	51,0	+36	902	40,1	1,083	42,7	+181	841	38,2	1,025	36,0	+184
Gt. Britain	90	6,6	32	2,3	−58	143	6,4	53	2.1	− 90	152	6,9	50	1,7	− 102
Greece	6	0,4	15	1,1	+ 9	21	1,0	18	0,7	− 3	18	0,8	4	0,1	− 14
Holland	25	1,8	17	1,2	- 8	28	1,2	79	3,1	+ 51	28	1,3	97	3,4	+ 69
Hungary	18	1,3	42	3,0	+24	23	1,0	11	0,4	− 12	19	0,9	33	1,2	+ 14
Italy	65	4,7	110	8,0	+45	176	7,8	233	9,2	+ 57	281	12,7	258	9,1	− 23
Palestine	3	0,2	38	2,7	+35	3	0,1	50	2.0	+ 47	3	0,1	32	1,1	+ 29
Poland	13	0,9	2	0,1	−11	47	2,1	40	1.6	− 7	24	1,1	50	1,7	+ 26
Rumania	31	2,2	6	0.4	- 25	95	4,2	19	0,7	− 76	109	5,0	17	0,6	− 92
Spain	39	2,8	17	1,2	−22	51	2,3	80	3,2	+ 29	5	0,2	144	5,1	+139
Switzerland	99	7,2	20	1,5	−79	132	5,9	122	4,8	− 10	151	6,9	148	5,2	− 3
Turkey	7	0,5	4	0,3	- 3	30	1,4	36	1,4	+ 6	27	1,2	18	0,7	− 9
U. S. A.	25	1,8	15	1,1	−10	51	2,3	16	0,6	- 35	49	2,2	32	1,1	- 17
Yugoslavia	3	0,2	10	0,7	+ 7	9	0,4	5	0,2	- 4	8	0,4	2	0,1	- 6
Other countries	44	3,5	56	4,0	+12	77	3,3	165	6,6	+ 88	73	3,4	122	4,2	+ 44
Total	1.369	100	1,369	1.00	—	2,247	100	2,535	100	+288	2,202	100	2,846	100	+644

• 439

Tobacco, 982 million leva worth, eggs 341, cereals 261. (mainly maize 182), grapes 140, dried hides 114, poultry 114, cattle 65, oil cakes 51, haricot beans 43, attar of roses 36, Cheese 35, and sunflower seed 31. Imports consisted of textile materials (wool & cotton) 580 millions in value, metallurgical products 163, machinery 130, mineral oils 93, Chemical products 130, medicinal products 66, hides 61, vegetable oils and fats 18, rubber 32, etc, About 50% of the exports are shipped by way of the Black Sea ports, the other 50% being forwarded in about equal quantities either overland by rail or by the Danube. Imports on the other hand are more evenly divided among the three different ways of access. Exchanges between Austria and Bulgaria are practically all made by way of the Danube, exports to Germany are sent to the extent of 1/6 by this river fairway, while 1/4 of the German imports into Bulgaria also borrow the same route.

Bulgaria's trade with the neighbouring countries is insignificant and is not likely to develop. Her exports to them approximate 2.5% of the total, while her imports from them slightly surpass 5% of her total imports and this mainly owing to her purchases of mineral oils from Rumania, but there is a probability that this custom will be transferred to Russia, as the latter country offers a greater possibility of interchange of commodities than Rumania. How tariffs may affect trade between countries may be illustrated by the abrupt fall of Bulgarian exports to Greece, which from almost one milliard leva in value in the years 1926 and 1927 have contracted to 4 millions in 1933, owing to the tariff war Greece had declared on Bulgaria in 1930.

The huge preponder nce of Germany in the total trade of Bulgaria (40% of total imports & 42·7% of total exports) shows the capital role Germany plays in the economy of the Danubian States and the impossibility of

reckoning on their recovery so long as Germany does not return to normalcy. All the pother made about economic conferences and programmes concerning the Danubian countries is empty prattle, and does not deserve to be taken seriously, for neither France nor Italy are in a position to help. The former country, especially, though she holds ⅓ of the Bulgarian State debt, and possesses considerable private investments in Bulgaria does nothing to assist Bulgarian trade. but on the contrary does not hesitate to have recourse to political pressure in order to exploit to the utmost Bulgaria, to the obvious detriment of the latter and of her other creditors. 439.

British Commercial and Financial circles would do well to consider the advisability of increasing the sale of Bulgarian products in Great Britain, for Bulgaria is still buying three times as much as she is selling to Gt. Britain (a few years ago the ratio was seven to one) and if the proportion is not righted, British exports to Bulgaria run the risk of being further reduced. There is yet another forcible reason for encouraging Bulgarian imports into Gt. Britain and this is in order to provide Bulgaria with a surplus wherewith she might be enabled to discharge her liabilities to British bondholders. If this is not done Bulgaria will very soon be in the material impossibility of paying interest on both the two loans floated under the sponsorship of the League of Nations, a large proportion of which are held by British investors.

AGRICULTURE

The yield per hectare has been increased, thanks to the efforts of the State Agriculturists and those of the experimental stations. It is affirmed that for about ⅓ of the area sown to wheat selected seed has been utilised from certain new varieties of wheat from which as high a yield as 2650 kg. per hectare has been obtained at the experimental stations, but only 1675 to 1766 kg. when sown in the average farmsteads. This has contributed in raising the yield from about 1000 kg. per hectare during the pre-war period to 1157 kg. at the present time.

Though about ¾ of the cultivated land is devoted to cereals, 90% of the total output is absorbed locally, and only 10% is available for export in ordinary circumstances. Often, when the harvest is below the average there is little or nothing to export. The last international wheat Conference held in 1932 fixed Bulgaria's annual export quota of cereals at 2,500,000 quintals, or 236,000 tons, but in the export campaign of 1933/34, the quantity available for export did not reach this figure, and in the following season the cereals exported amounted to some 175,000 tons, so that it may be reckoned that Bulgaria has ceased counting as a grain exporting country. In fact the average Bulgarian farmstead does not produce sufficient grain for its own requirements, and it is only the larger ones, those of over 10 hectares, that have a surplus for disposal. This renders the majority of farmers unaffected by the fluctuation of prices since they consume their own produce, and strange as it seems, the fall in the prices of agricultural produce must on the whole be beneficial to them, since Prof. Y. Mollov, former Minister of Agriculture, affirms in the Annuaire of the Sofia University for 1933 (Agricultural Dept.) that the peasantry on the whole buy more than they sell. the proportion of their purchases to their sales being the following:

ched 25,411,022 kg. valued at 45 million leva. Experiments have also been made with another oleaginous plant, the *Ricinus Communis*, from which castor oil is extracted, with excellent results, a yield of 1500 kg. of seed of superior quality having been obtained per hectare sown.

Tobacco has come to replace cereals in importance as an article of export. In 1934 it represented 40% of the total exports, and the quantity marketed abroad was valued at 982 million leva. In 1933, 22,531,439 kg. of a value of 1,174,511,061 leva were export. In 1934 the respective figures were 20,830,000 and 982,000,000. Prices have been very much affected by the prevailing crisis, as may be inferred by comparing the above with the figures for 1932, when 22,452,752 kg. were exported, but were priced at 2,654,238,438 leva. It was after the war that tobacco cultivation was particularly fostered, the quantity exported rising from 7,355,448 kg. in 1919 to the record figure of 33,647,241 kg. in 1925. After this date both Greece and Turkey reappeared on the world market as producers of Oriental tobacco and the proportion of Bulgarian tobacco sold abroad fell off, though on the whole it maintained its position in Germany, which buys steadily about half of the amount exported, Austria, Poland, Czechoslovakia etc., where its qualities have been thoroughly appreciaded. It would appear that the average quantity of nicotine found in it varies from 0·5% to 1%, when according to Kissling, the contents in nicotine of Virginia tobacco are 4·3% to 4·8%, of Kentucky 4·5%, of Sumatra 4·1% and Samsoun (Turkey) 2·5%. German chemists have characterised Bulgarian tobacco as poor in nicotine and have approved the manifacture of cigarettes made from it which are designed as containing the "minimum of nicotine". Tobacco forms one of the chief items of revenue to the State, some 650 million leva being annually derived from the tobacco monopoly. The State also raises a tax of 1

11: Logic S-4 (no date) 1936 EE1 Bulgaria EE1

and 23·8 kg. in France. which constitutes yet another sure sign ot the pauperisation of Bulgaria, since in Greece and Yugoslavia the consumption of sugar is about three times as high as in Bulgaria. Another article which during recent years has achieved a record success, is the cultivation and export of dessert grapes which as to value are now classed third in the list of Bulgarian exports. Owing to the careful sorting and packing to which the grapes were subjected by government controllers and to their perfection they have been able to secure an easy preeminence on the Central European markets, and even in England.

The variety chiefly exported resembles somewhat in appearance the Spanish grapes of Almeria, but is less sweet in taste, has a thinner skin, and the bunches are larger. The just appreciation which these grapes have achieved in Central Europe may be gauged by the rapid increase of the quantity exported, which from a mere 52 kg. in 1925, reached 21,223,030 kg. or 3740 truck loads of a value of 140 million leva in 1934. In 1932 some 92,094 hectares were devoted to viticulture, of which about 10% were table or dessert varieties, the remaining being chiefly cultivated for the production of wine, of which 142 million litres were produced in the same year[1]. Recently several co-operative societies have installed modern wine presses and cellars, and are now producing wines according to the latest technique several standardised types of wine having been put on the market which are not below the average grades of those produced in France and Spain, even a variety of champagne wine being on sale. Hopes are entertained that eventually a market for wine will be found abroad, as local requirements are much below production The con-

[1] The production of grapes is computed at 400 million kg. of which 120 millions are consumed locally, about 20 millions are exported, and some 260 millions used for wine. In 1935 the quantity exported is expected to be as much as 30 million kg.

274 sumption of wine is about 23 litres per capita yearly, as against 153 in France and 101 in Italy. Owners of vineyards were complaining that they could not meet their expenses as grapes grown for wine were a drug on the market. It was stated in the Sobranye on Dec. 8. 1931 that while revenue from vineyards was 600 millions, expenditure on them was 720 million leva, while the capital they represented was 13,000 million.

245 [242] [439] Concurrently with the vine, orchard planting has received a great impetus, the State having established 39 nurseries and experimental stations from which young fruit trees are supplied to farmers at a nominal price. Apples and plums are being exported in increasing quantities, as well as walnuts, of which 2083 tons were exported in 1934. The area occupied by orchards was stated to be 19,420 hectares in 1932, of which 12,030 hectares were planted with plum trees, 919 with apple trees, 122 with pear trees and 6,349 were described as mixed orchards.

247 303 [439] Bulgaria is renowned for its attar of roses; unfortunately the world crisis has affected to a great extent this industry, and the area planted with rose bushes (6800 hectares in 1931) is consequently being reduced since the export of this product has declined from 3,157 kg, valued at 240 million leva in 1928, to 1218 kg. valued at 36 millions in 1934. Consequently a surplus stock of some 3000 kg. has accumulated and this has affected prices, which from 80,000 leva per kg. in 1932, have declined since to about a third of that figure One of the reasons of this falling off in the quantity exported, is the relative high cost of the attar of roses, due most likely to the unduly large amount of capital invested in the distilleries, the capacity of which is disproportionately great to the roses available for distillation, and which moreover work for only one month in the year. In fact, the 32 distilleries which were operating in 1931 were stated to have cost

accomplish was done by Bulgarian gardeners. Ten years ago no one among us knew that it was possible to produce tomatoes, peppers and other vegetables in our land. To-day, however, this is a fact, thanks to the ingenuity of the Bulgarians".

Of fresh vegetables 55 truck loads were exported in 1933 to Central Europe, and of these the most appreciated were the tomatoes grown in south Bulgaria, which many experts affirm to surpass in quality even those of Italy. During the summer of 1935 some 2750 tons of fresh tomatoes were exported to Central Europe. No serious efforts have been made to develop the export of tinned vegetables, though in price they are 50% cheaper than similar ones sold in France, and in every respect as good. Lack of capital, and of commercial connections abroad have prevented the few canning factories to launch in a forward policy which necessarily involves risks and losses at the start. The only leguminous plant which has been exported on a large scale was haricot beans, of which Bulgaria was always a large exporter, the high quality of this product having secured for her a certain preeminence among Near Eastern countries The area devoted to this crop was 73,162 hectares and the yield 74,677,000 kg. in 1933 of which 32,568 tons were exported. The area planted with pulse, vegetables, potatoes and that set aside for market gardening was estimated respectively at 95,000, 13,500, 14,000, and 38,000 hectares in 1932.

A great impediment to the steady development of agriculture in Bulgaria is the periodic drought which completely undermines the economic position of the small holders, which even without this scourge, is never too bright. The mean annual rainfall for the period 1920—1930 was 578·2 litres per square metre, but this unfortunately is not evenly apportioned, the mountainous western and south western parts of the country having a much hea-

231 is also employed almost exclusively for ploughing and as draught animals, their manure being also used to fertitise the fields.

235 439 The export of eggs has been steadily diminishing owing to the poverty of the peasantry who can not provide for the proper feeding of ther farm birds, exports of poultry, however, have maintained themselves as may be seen from the following figures:

	1932		1933		1934	
	Quantity kg.	Value in million leva	Quantity kg.	Value in million leva	Quantity kg.	Value in million leva
Eggs. . . .	18 804,000	624	15,670,000	457	14,534,000	341
Live poultry	1,103,0?7	47	1,089,766	34	1.040,146	34
Poultry in cold storage	1,831,000	73	1,640,030	48	2,699,116	80

231 439 The export of cattle is very limited, only 2067 horned cattle and 3700 sheep, valued respectivery at 10 and 3·7 million leva having been exported in 1932. Efforts are actually being made to export bacon to England, and the few trial consignments sent are reported to have been successfully marketed. Certain varieties of cheese much appreciated in the Near East continue to be exported to that part of the world to the extent of 1,202 tons, worth 35 million leva in 1934.

246 The scarcity of fodder militates against a rational development of the cattle raising and dairy industries. The government is making strenuous efiorts to increase the area of artificial prairies (32,000 hectares in 1934) and foster the cultivation of clover etc, but so far little headway has been made owing to the shortage of land. The annual supply of fodder is computed at 4800 million kg., when as much as 12,000 millions are necessary. In 1932 592,000 hectares were planted with hay and grass as against 649,000 hectares in 1934, of which 281,000 hectares were described as natural prairies. The most easy solution of

the problem is the utilisation of the fields lying fallow by sowing them with clover and similar plants, and this is being increasingly done, thus in 1932 the total arable land lying fallow had decreased to 434,000 hectares from 665,000 in 1910. 246

Sericulture too was once another promising branch of agriculture, as may be gauged by the fact that as many as 4600 hectares were planted with mulberry trees (1932) on the leaves of which the silkworms are fed. Unfortunately the decline in prices has discouraged production. In 1935 1,456,924 kg. of silk cocoons were produced all of which were bought up by the local silk weaving workshops. In order to protect the industry, a tax of 600 leva per kg. is levied on artificial silk produced in Bulgaria. 231

Apiculture is another side line in which farmers take a live interest. There are as many as 257,672 beehives in the country, the production of honey having attained in 1933 2,392,000 kg. and that of wax 114,399.

However persevering and laudable may be the efforts of the Bulgarian people to extricate themselves from their difficult position, these can only be crowned with success if markets can be found for their produce. France and Italy, despite their efforts to solve the difficulties facing the Danubian States can do little to assist them, for from the agricultural point of view both these States are practically self-sufficing, and they even antagonise Bulgaria as purveyors of fruit, poultry and eggs in the markets of Central Europe. England and Germany alone can help. The former country sells three to four times as much as she buys from Bulgaria, and it would not only be a matter of fairness, but even of foresight if she allowed a broader access to her markets to Bulgarian produce, if the Bulgarian market is not to be definitely lost to British manufacturers. Germany on the other hand is in the throes of an ever- 439

11: Logio S-4 (no date) 1936 EE1 Bulgaria EE1

439 deepening economic crisis, and though she remains the best purveyor and client of Bulgaria, such commerce as is carried on is mainly in the form of barter and is yearly becoming more difficult. So long as England seems disinclined to lend a helping hand to Bulgaria and the other Danubian countries in order to facilitate the marketing of their produce on the British market, the only alternative which would bring relief to these hard-pressed communities, is the restoration of prosperity to Germany, which alone seems capable and willing to interchange its products with those of the Danubian countries, for the mutual advantage of all the parties concerned. As prosperity seems to have taken leave of Germany, and England shows little desire to assume the role of a good European, prospects for recovery in Bulgaria and the neighbouring countries can not be said to be bright.

COMMUNICATIONS

Railways

496 655 The Bulgarian State railway system at the end of 1933 consisted of 2,800 klm. of single track normal gauge railway lines, including the section Plovdiv-Panagurishte, 70·88 klm. in length opened to traffic in December 1933, 162 klm. of narrow 76 cm. gauge, and 250 klm. of 60 cm. gauge. According to a statistical report issued during the financial year 1932-3, the capital invested in the railway system amounted to 13,514,847,000 leva (or, 450,494,900 gold francs) and was made up of the following items:

Railway lines (all gauges) 3,085 klm.	value 350,375,520 gold francs	
Locomotives	597	
Passenger cars	621	
Tenders	205	" 100,119,380 "
Postal cars	43	
Goods trucks	10,901	

8: Armstrong S-4 (no date) 1951 EF1 Yugoslavia
Bulgaria EE1

665
661

not been able to find out at what prices Bulgaria was selling her products to capitalist countries. In this way Kostov revealed his mistrust of the U.S.S.R. and went counter to the accepted rule that "secrets and commercialism" do not figure in Bulgarian-Soviet relations. A man's attitude toward the Soviet Union, Kolarov explained, defines his whole ideological orientation; anti-Sovietism is "the most heinous form of national deviation." [1]

The reader will recall that when opposition to the Soviets appeared in Poland it was dealt with at first quite circumspectly. Gomulka's connection with Tito was carefully concealed. Nothing of the sort was attempted in Kostov's case. By now the Cominform acknowledged that Titoism was not peculiar to Jugoslavia but was an infectious disease menacing the whole Stalinist empire.

439

The events which awakened Kostov's resistance were like those which had antagonized other satellite leaders. In 1948 the Bulgarian tobacco crop amounted to about 20 million kilos, of which the Soviets bought between 18 and 19 million kilos at arbitrarily fixed prices. When the time came for Bulgaria to market what remained of her crop, after the Soviets had taken the lion's share and after she had provided for her own domestic consumption, she found that she was competing in Italy, Egypt and New York with her own Bulgarian tobacco, offered by the Soviets at less than prevailing world prices. The Soviets profited in the same way with attar of roses, of which Bulgaria possesses almost a world monopoly. The Soviet purchasing agents in Sofia bought up the entire 1948 crop and resold it at higher prices in New York.[2] Later they laid hands on the store of this valuable essence accumulated during the war by the Bulgarian National Bank and disposed of it at whatever prices the world market would stand. Kostov apparently could not bear to see his country cheated in this way. In one sense it does not matter that the sums which the Soviet Government credits to the Bulgarian Government for its purchases in Bulgaria bear no relationship to the prices at which it later resells those same products abroad; it is all a matter of bookkeeping anyway, and Bulgaria cannot win. What does matter is that as the Soviet Government resells in hard-cur-

[1] *For a Lasting Peace, for a People's Democracy!*, Bucharest, May 15, 1949.
[2] *The Economist*, London, July 16, 1949.

8: Armstrong S-4 (no date) 1951 EF1 Yugoslavia
Bulgaria EE1

439 rency areas, the dollars which it gets from the sale of Bulgarian products go to finance imports not into Bulgaria but into the Soviet Union. That ends the last vestige of Bulgaria's freedom of economic manœuvre.

Bukharin might have called this sort of finagle the absence of "selfish competition," just as Kolarov called it the absence of "secrets and commercialism." Kostov decided that it was good old-fashioned exploitation, the sort of thing which he had always heard denounced as a mean capitalist trick. When he tried to tighten up the government agencies which dealt with the Soviet purchasing agents, however, he found that he was a "nationalist deviationist."

665 661 The Sofia morning papers of November 30, 1949, carried the text of the formal indictment against Kostov,[3] based on a 32,000-word statement purporting to have been signed by him in prison and on similar statements by ten codefendants, all of them high government and Party officials. Kostov is described as a consistent supporter of "Left-sectarian," Trotskyite policies. While an émigré in Moscow in 1933–34 he supposedly formed contacts with many other Trotskyites, including Bela Kun and Tito; plotted to replace Dimitrov and Kolarov as leaders of the Bulgarian Communist Party; and, as an official of the Balkan Secretariat of Communist Parties, recommended Tito for political work in Jugoslavia. All this seems vague and farfetched, no reason being given why with such a consistently bad record he was allowed to continue as Secretary-General of the Central Committee of the Party and was promoted to be acting head of the government.

The indictment goes on to make the bland statement that when Germany's "final defeat" had been sealed on the Soviet front as far back as 1942 (*sic*), the British and American intelligence services, faced with this apparently unwelcome fact, and seeing how Soviet prestige was growing in Southeastern Europe, began to smuggle their agents into the underground Communist Party. Among those allegedly recruited besides Kostov was a former Minister of Finance, Stefanov, who was accused of having given the British information on the budget and on military expenditures in 1946 and 1947, and

[3] A translation in English is to be found in a supplement to the *New Times*, Moscow, December 7, 1949.

113, 439, 648 Bulgaria EE1

[For a discussion of the nature, scope and probable future trends (up to 1970) of Soviet economic relations with the East European satellites since World War II, and the degree of inter-satellite economic integration, see 60: Bergson, R1 Soviet Union, category 116, pp. 321-355]